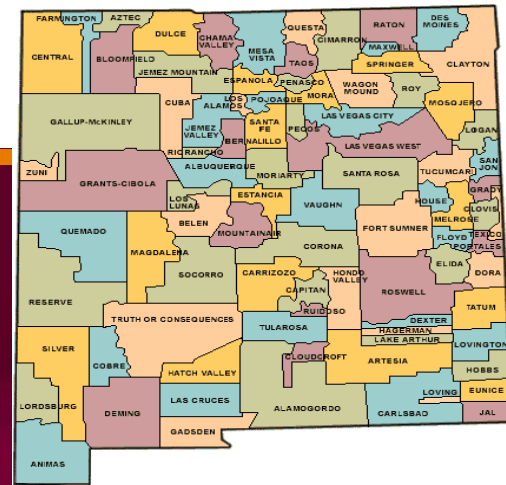


Office of the Vice President for Economic Development

Connecting the Dots: Ports, Logistics, and Economic Development

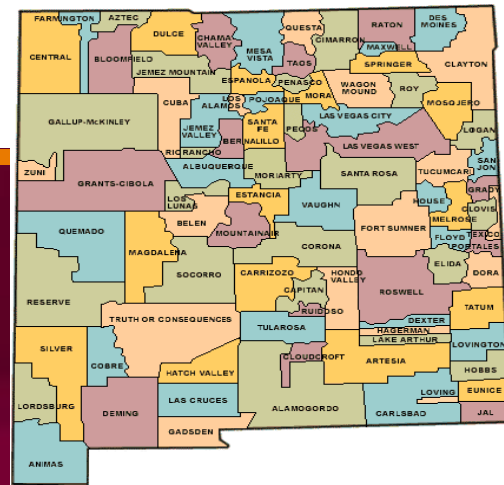
Presentation to
Transportation Infrastructure Revenue Subcommittee
Economic and Rural Development Committee

October 2, 2014



Agenda

- Truck Crossing to Border Crossing
- Border Crossing to Inland Port
- NM's Contribution to the Value Chain

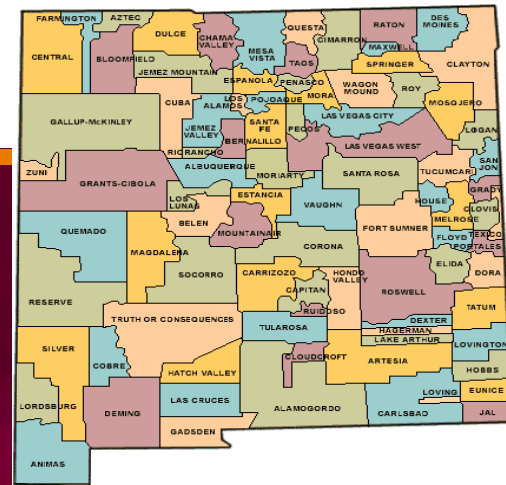


Agenda

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New Mexico State University
All About Discovery!
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Truck Crossing to Border Crossing

In 1992, the New Mexico Legislature adopted the Border Development Act (BDA), which authorized the creation of the New Mexico Border Authority

Truck Crossing to Border Crossing



William Garcia

Bill Garcia . . . is a retired businessman with experience in the telecommunications and computer chip manufacturing field. . . . Mr. Garcia served as the New Mexico secretary of economic development from 1991–94.

Truck Crossing to Border Crossing

Tour of Three Border Crossings

- Laredo – Nuevo Laredo
- Ota y Mesa
- And then this other place



Truck Crossing to Border Crossing

Tour of Three Border Crossings

- And then this other place
[Alliance Center](#) (then)
[Alliance, Texas](#) (now)



Truck Crossing to Border Crossing

Tour of Three Border Crossings

- And then this other place
Alliance Center (then)
Alliance, Texas (now)



Truck Crossing to Border Crossing

Tour of Three Border Crossings

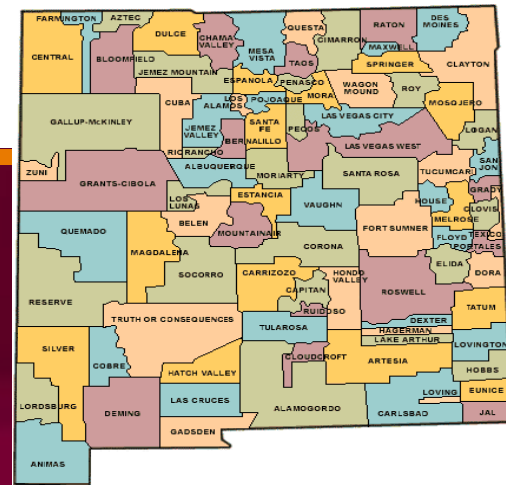
- And then this other place

Alliance Center



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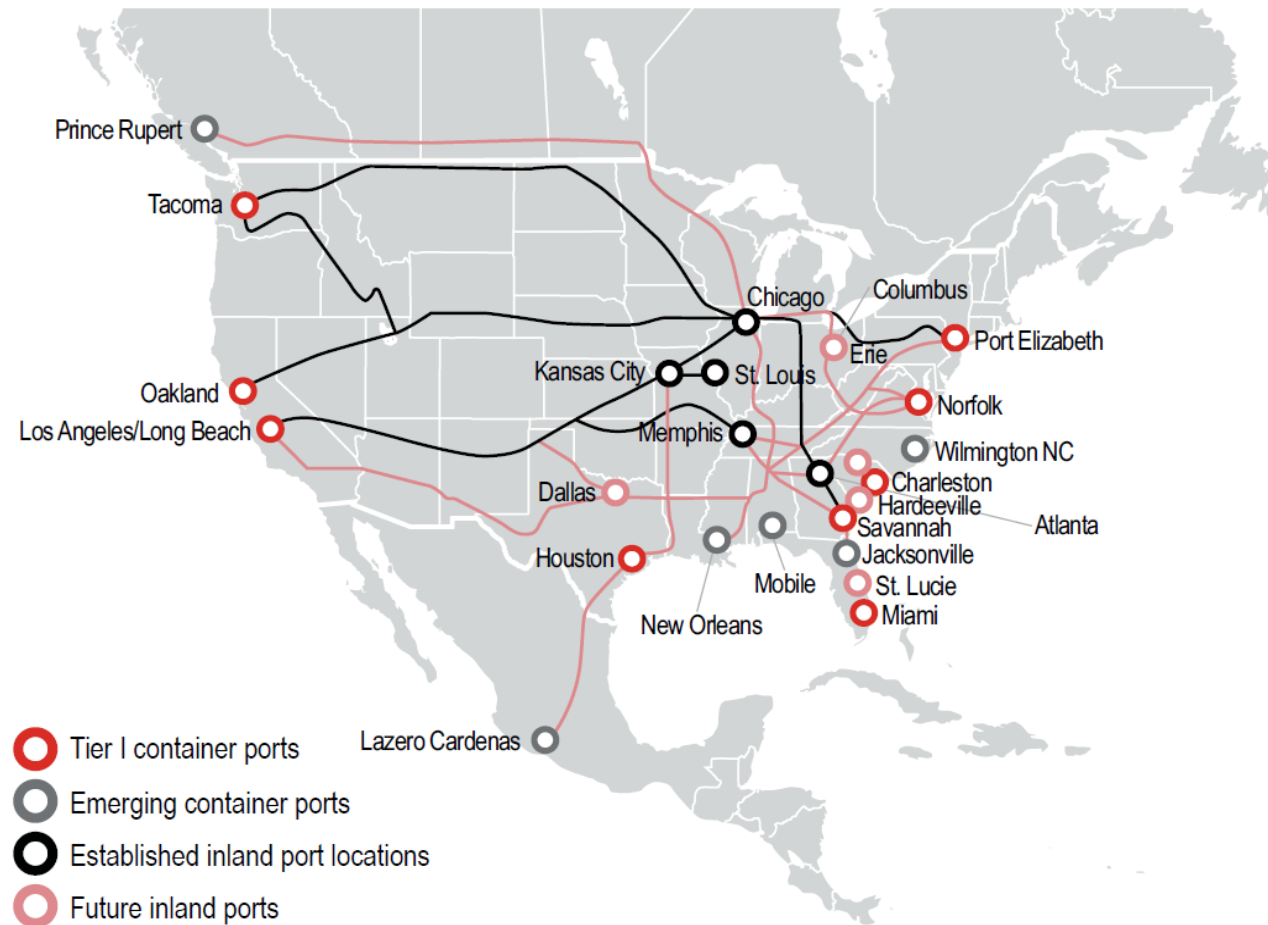


- A legitimate ***inland port*** will typically have the following characteristics:
- Market proximity to at least 3 million people within 200 miles.
 - A major, direct connection to an American seaport via a Class I railroad. This rail corridor forms the “stem” of the coastal port/inland port barbell, as dedicated container trains—often comprising upwards of 250 double-stack cars—run steadily between the two locations. Some inland ports primarily serve one corresponding seaport, using one Class I railroad.
 - FTZ status and privileges.

A legitimate ***inland port*** will typically have the following characteristics (continued):

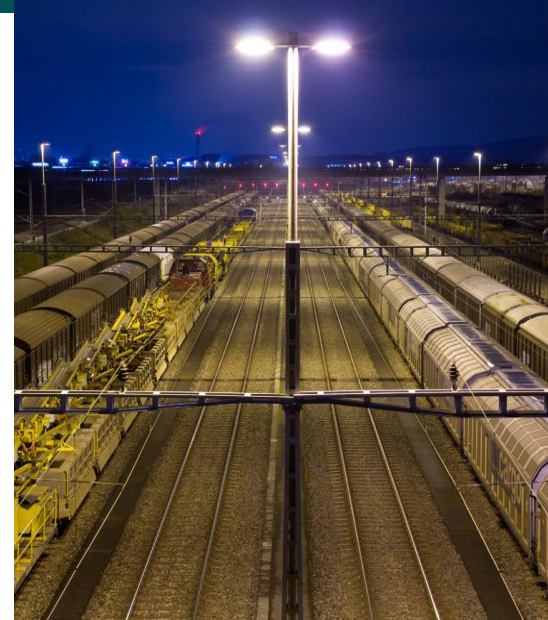
- An abundance of reasonably priced labor and commercial real estate for warehousing and distribution, relative to the East and West Coasts.
- An overall governing body, or at least a consortium of stakeholders collaborating in a cohesive management plan for the overall effectiveness of the inland port.
- A state and local government climate that is enthusiastic about inland port development, and willing to offer strong incentives to participants

Inland port connections



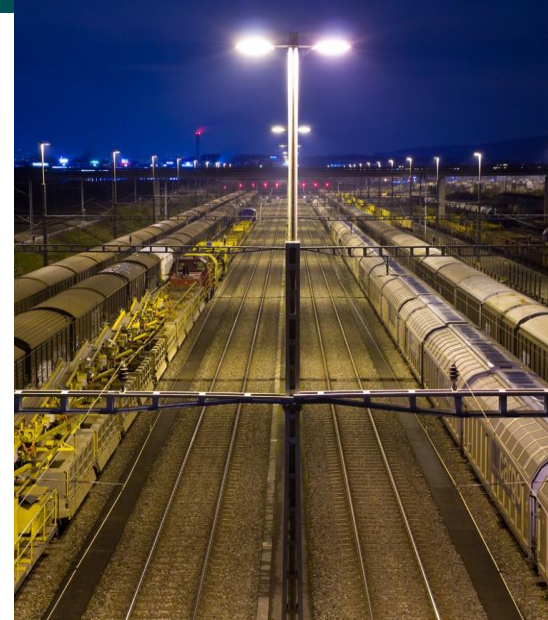
Alliance, Texas: The pioneer

Beginning in the mid-1990s, a private developer, in cooperation with local and state authorities, launched the Alliance Global Logistics Hub, considered the ***grandfather of U.S. inland ports***. It is strategically located at the juncture of . . . rail lines, and Interstate 35, which crosses the United States from Canada to Mexico. Besides the capabilities of . . . Intermodal Facility, the area is served by . . . dedicated industrial aviation, it has ranked as the top U.S. Foreign Trade Zone (FTZ), inventory tax exemption . . . third-party logistics and workforce recruitment services, as well.



Alliance, Texas: The pioneer

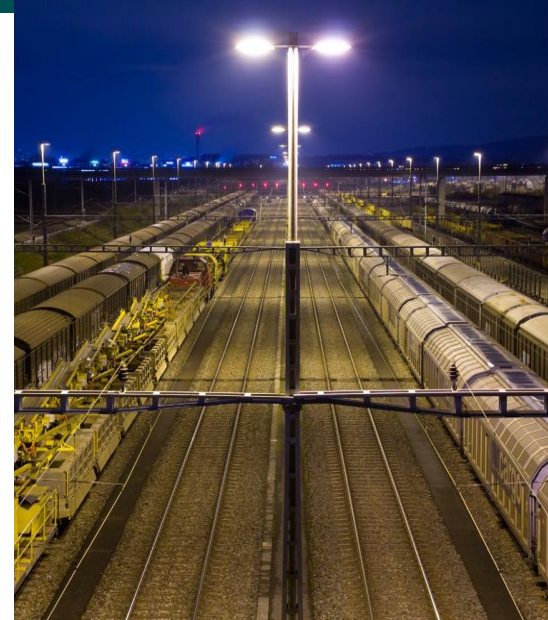
Such features have attracted 243 companies, including 50 Fortune 500 firms, to open facilities in the Alliance area. The development wisely takes care of not just business, but the personal needs of those who work there. Its . . . acres include not just warehousing and distribution facilities, but almost 8,000 single-family homes and apartments. . . . (it's) master-planned community was ranked as the nation's most affluent by *Forbes* magazine



Alliance, Texas: The pioneer

Development statistics

- \$7.35 billion invested
- \$40.65 billion economic impact
- 31.8 million+ SF developed
- 290 corporate residents
- 50+ companies listed on the Fortune 500, Global 500 or Forbes' List of Top Private Firms
- 30,000+ employees
- 7,700+ homes built
- Fastest growing area of the nation's fastest growing metropolitan city



Walmart: At the hub, in the heartland

Walmart's . . . distribution facility near Chicago in Joliet, Ill., is . . . the number one tenant at CenterPoint Intermodal Center, which bills itself as the largest master-planned inland port in North America.

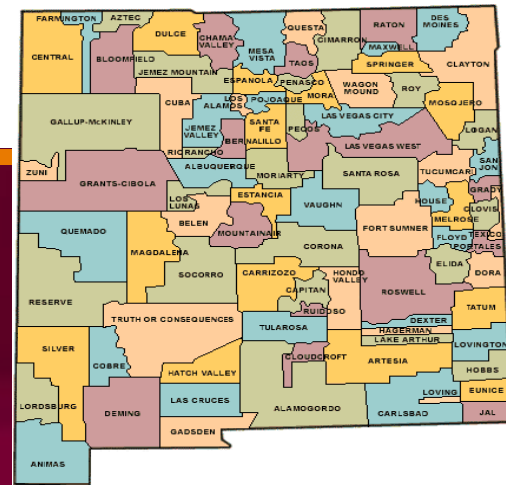
Imported containers are carried in unit trains of . . . containers primarily from West Coast ports . . . to an intermodal park, then trucked . . . to the Walmart facility, all within the CenterPoint property.

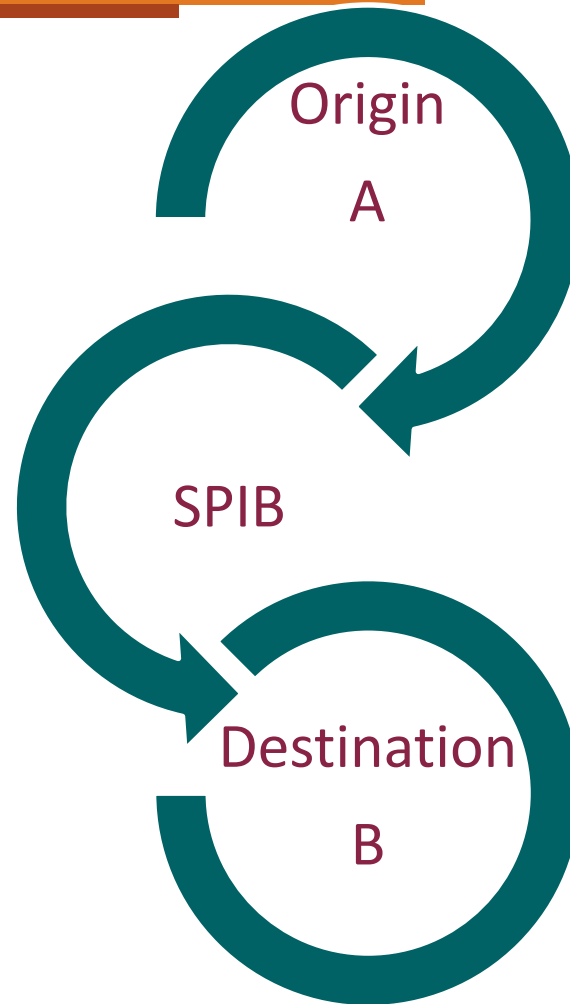
The message: Logistics advantages and connectivity often will more than offset real estate costs when selecting an inland port distribution site.

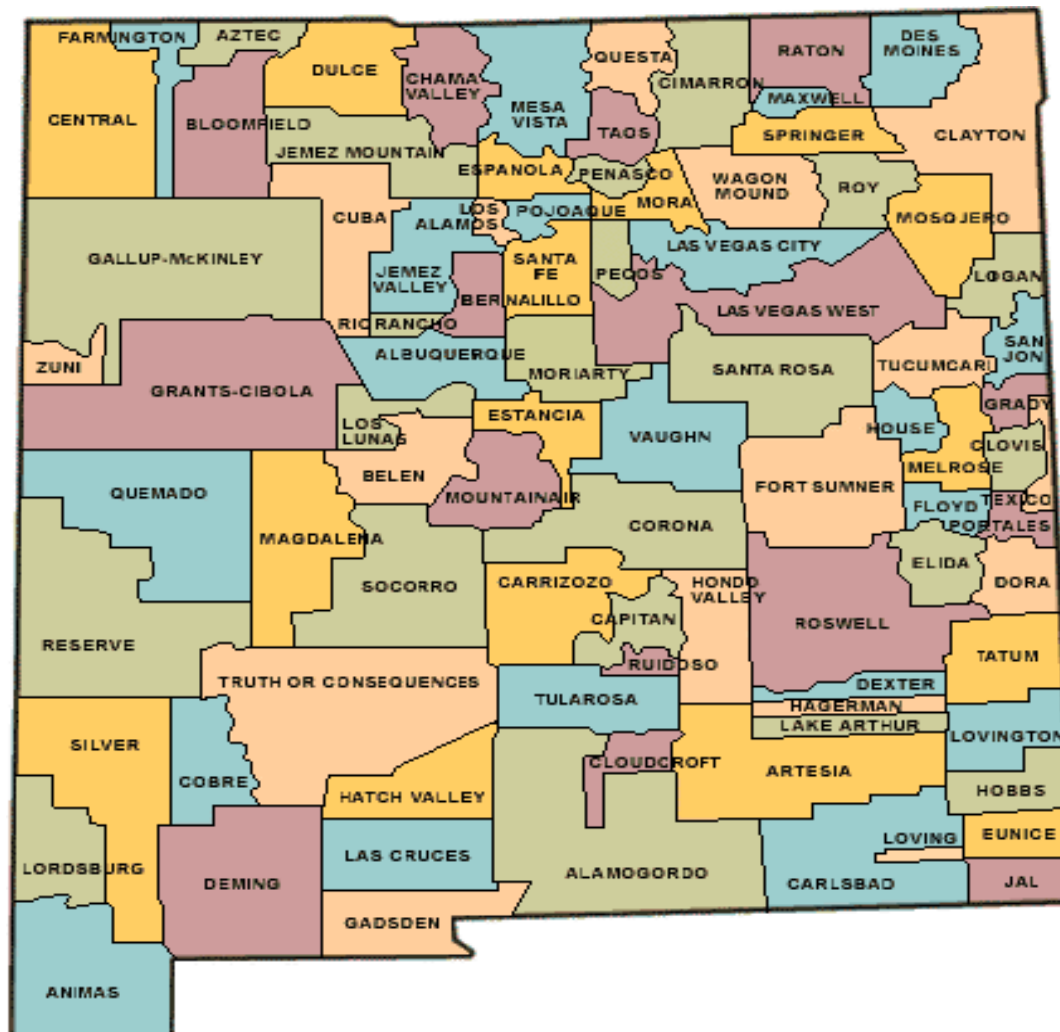


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Thank You



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